



Andlauer
HEALTHCARE GROUP

2024
Sustainability Report

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CEO message

Welcome from Michael

Welcome to Andlauer Healthcare Group (AHG)'s second annual sustainability report. This year's report reflects not only our continued progress but also our deepening commitment to leadership in responsible healthcare supply chains.

Looking back at our first report, I'm incredibly proud of the way it captured who we are as a company: authentic, grounded and driven to do what's right. It struck a chord with our team, our board and our partners. It was more than a report; it was a benchmark of our values and a declaration of our vision for the future.

As we grow, including moving into our new corporate offices, we remain steadfast in our humility and focus on continuous improvement. AHG has been in business for 33 years, and every step of our journey has been about getting better year after year. This mindset is part of our DNA – always asking how we can improve, innovate and care more for the people and communities we serve.

This past year, we made significant strides in understanding and addressing our environmental impact, particularly through our work on GHG inventory measurement. Our industry presents unique challenges. Biotechnology advancements like mRNA vaccines and personalized medicine demand highly specialized, temperature-controlled logistics, which require more energy than traditional transport. While others might benchmark us against standard logistics companies, our fleet's specialized equipment sets us apart.

That doesn't mean we're not relentlessly pursuing ways to reduce our carbon footprint. While the technology for fully electric, temperature-controlled fleets isn't there yet, we're committed to staying at the forefront of innovation and evaluating the best solutions as they emerge.

Caring more and working harder than our competition are the two pillars that differentiate AHG. That care starts within. Every holiday season, we celebrate the

incredible people who make this company thrive. From recognizing employees and drivers with 25 years of service to making first-year employees feel valued, we believe in celebrating every journey.

It also extends to our communities. This year, we've strengthened our commitment to giving back through initiatives like supporting food banks in every region we operate and raising awareness about the importance of blood donation. We're proud of our long-standing partnership with Canadian Blood Services, where our work transporting life-saving blood products aligns with our core mission: helping people.

Looking ahead, we know we've got more work to do and we're determined to maintain our momentum. On April 23, 2025, we entered into an agreement with affiliates of UPS, under which UPS has agreed to acquire AHG. Subject to approvals and customary closing conditions, the transaction is expected to be completed in the second half of 2025. I look forward to working with UPS to leverage its logistics capabilities to enhance AHG's specialized transportation and healthcare logistics services to our clients. I am also excited that AHG employees will continue to have opportunities to grow and that UPS shares our cultural values and commitment to sustainability.

Thank you for joining us on this journey. Your feedback, partnership and shared commitment to sustainability inspire us to do better every day.



Michael Andlauer

Chief Executive Officer
Andlauer Group



About us: Integrity delivered

Andlauer Healthcare Group Inc. (“AHG”, “we”, “our” and “us”) (TSX:AND) is a leading and growing supply chain management company with a platform of customized logistics and specialized transportation solutions for the healthcare sector in Canada and the USA. We have delivered for our clients and communities for over 20 years and counting, becoming a trusted partner of choice for leading healthcare companies. We differentiate our service offerings and deliver value to our clients through our competitive strengths in temperature management, quality assurance and regulatory compliance, technology-enabled visibility throughout the supply chain and security.

On April 23, 2025, we entered into a definitive arrangement agreement with affiliates of UPS, under which UPS has agreed to acquire AHG via an all-cash transaction. Subject to the satisfaction of the conditions set out in the arrangement agreement including the receipt of applicable regulatory approvals and the satisfaction or waiver of other customary closing conditions, the transaction is expected to be completed in the second half of 2025.

Five dedicated healthcare product lines ...



Logistics and distribution



Packaging solutions



Ground Transportation



Air freight forwarding




Dedicated and last-mile delivery


... delivering a range of healthcare products and services




Pharmaceuticals




Medical devices



Consumer healthcare



Vaccines



Nutraceuticals




Animal healthcare



Biologics



Importer of record



Quality assurance consulting services



Blood products



Health and beauty accessories


AHG entities

Our entities include expert teams who together deliver end-to-end healthcare logistics solutions.



ATS Healthcare

Canada’s largest temperature-controlled transportation provider for the healthcare sector.



Boyle Transportation

Secure, temperature-controlled transport solutions for the healthcare sector in the USA.




Skelton Truck Lines

Providing cold chain expertise in transporting healthcare products across Canada and the USA.



Accuristix

Canada’s leading third-party service provider delivering logistics solutions to the healthcare sector.




Logistics Support Unit

Third-party logistics services for the healthcare sector in Canada.




MEDDS

Same-day delivery of prescription pharmaceuticals from pharmacy to home.



Credo

A reusable solution for the delivery of temperature-sensitive medical and pharmaceutical materials.



NowPac¹

Joint venture with NowPac Inc., a Toronto-based company specializing in healthcare contract packaging services.

¹Effective March 1, 2025, we entered into a joint venture to combine our packaging subsidiary, Nova Pack Ltd. with NowPac Inc.

Our values



Integrity

We are open, honest and respectful to our colleagues, stakeholders, partners and clients. Trust is at the core of everything we do to ensure the safety of our customers and products.



Accountability

We are not just a provider. As a trusted partner, we take control of situations with confidence. We own our successes and our setbacks. We do everything in our power to help our clients put their customers first.



Collaboration

We only win when we work together. With our team-first thinking and open dialogues, we break down barriers, sharing resources, knowledge and expertise. We surround ourselves with great minds. If there is a better way, we find it.



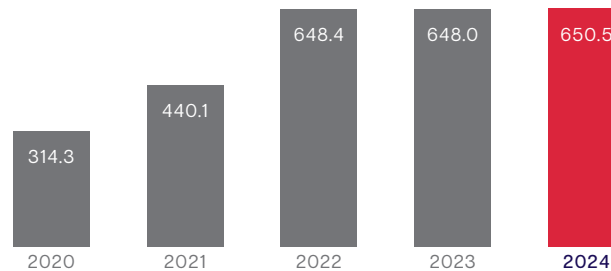
Empowerment

We are all empowered to make calculated decisions to ensure our clients are taken care of. Empowerment is the fuel that helps us share, learn and improve.

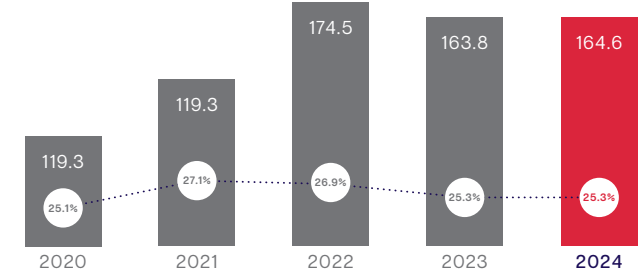
Financial performance

Our consolidated revenue in 2024 totaled \$650.5 million and our EBITDA margin was 25.3%, in line with our target range of 24% to 26%. Our financial performance for the year reflects the continued growth in our Canadian specialized transportation network and the improving performance of our logistics and distribution product line in the second half of the year, offset by lower contributions from our US-based truckload businesses (Boyle Transportation and Skelton USA). For a more detailed overview of our financial performance, see AHG's [2024 Annual Report](#).

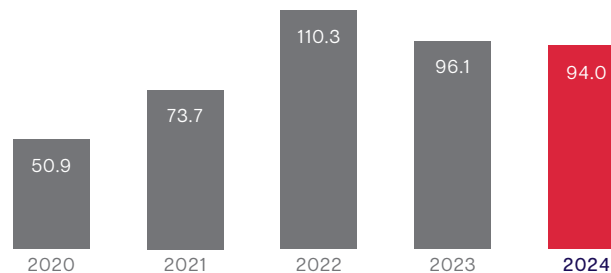
/ REVENUE (\$ millions)



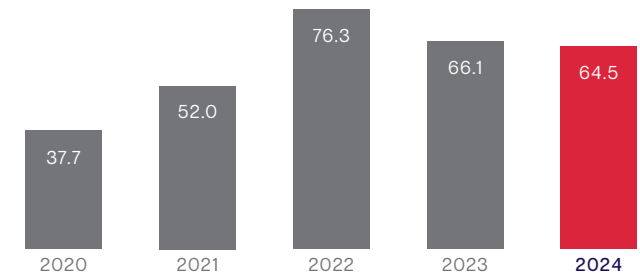
/ EBITDA (\$ millions)^{1,2} and Margin (%)²



/ OPERATING INCOME (\$ millions)



/ NET INCOME (\$ millions)



¹EBITDA is defined as net income for the period before: (i) income tax expense; (ii) interest income; (iii) interest expense; and (iv) depreciation and amortization

²The EBITDA, EBITDA Margin and net income figures provided above exclude the gain of \$37.9 million on the step acquisition of 51% of Skelton USA Inc. in fiscal 2021. Including the gain, EBITDA for fiscal 2021 was \$157.2 million, EBITDA Margin was 35.7%, and net income was \$90.0 million.

About this report

Boundaries

This report covers fiscal 2024, from January 1, 2024, to December 31, 2024, unless otherwise stated. It represents the sustainability commitments, approach and progress of Andlauer Healthcare Group, focusing on material environmental, social and governance (ESG) factors for AHG and our entities Accuristix, ATS Healthcare, ATS Dedicated, Boyle Transportation (includes Skelton US), Credo Canada, Logistics Support Unit, MEDDS, Nova Pack, and Skelton Canada.¹

AHG is a leading and growing supply chain management company with a platform of customized third-party logistics (“3PL”) and specialized transportation solutions for the healthcare sector. We offer services to healthcare manufacturers, wholesalers, distributors and 3PL providers, among others, through a comprehensive platform of high-quality, technology-enabled supply chain solutions for a range of products, including: pharmaceuticals, vaccines, biologics, blood products, narcotics, precursors, active pharmaceutical ingredients, over-the-counter, natural health, animal health, consumer health, cosmetics, health and beauty aids, and medical devices. We integrate our uniquely designed Canada-wide network of facilities, vehicles, personnel and technology systems into our clients’ businesses to offer holistic solutions that span all of our clients’ logistics and distribution needs and satisfy the requirements of the highly regulated Canadian healthcare sector. We also provide specialized ground transportation services, primarily to the healthcare sector, across the 48 contiguous U.S. states.

All monetary figures are in Canadian dollars.

¹ Sustainability-related activities and data for NowPac are excluded from this report, as the NowPac joint venture became effective on March 1, 2025.



Frameworks

This report includes disclosures in alignment with the [Sustainable Accounting Standard Board \(SASB\) standards](#) for the road transportation and logistics industries, cross-checked with [GRI standards](#) where possible. In addition to this report, we also disclose sustainability information through [EcoVadis](#) and [CDP \(Carbon Disclosure Project\)](#).



Materiality

The information included in this report is based on the topics that are deemed material to AHG’s sustainability performance. For more information, see the [ESG strategy and materiality section](#).



Feedback

For related inquiries and the latest updates on our sustainability programs and commitments, please contact investor.relations@andlauer.ca.



Skelton
TRUCK LINES LTD.

2023

ESG performance highlights



Employer of choice



74% favourable score in 2024 AHG Employee Engagement Survey



18.1% of AHG professional drivers are women, significantly higher than Canadian industry average (7.9%)



71% of Directors are independent



2.1 Lost Time Injury Rate (LTIR)



Dependable and sustainable delivery



6.8M shipments delivered in 2024, helping millions of people in Canada and the USA



15+ years average client relationships (among top 20 clients by revenue)



GHG emissions reductions: **9.5%** decrease in Scope 1 and 2 in 2024 versus 2023



Over **71,521** saplings planted in growing forests



Sustainability disclosures



Sustainability Reports (since 2023)



CDP Disclosures (since 2022)



EcoVadis assessment 2024



Forced Labour and Child Labour Report (2024)

Recognition



ESG strategy and material topics

ESG vision

By 2030, Andlauer Healthcare Group will be recognized as a North American leader in responsible healthcare supply chains.

ESG pillars



Employer of choice

Being an employer of choice in healthcare supply chains by providing a safe, collaborative and inclusive workplace for the Andlauer Healthcare Group family.



Dependable and sustainable delivery

Championing dependable and sustainable delivery of life-giving and life-saving products to meet our healthcare partners' needs.



Social impact

Amplifying our social impact in the healthcare ecosystem to support the health and wellbeing of more communities.

Stakeholder Engagement

We prioritize ongoing engagement with our key stakeholders to learn about their evolving views on ESG priorities, enabling us to update our materiality assessment and amplify our social impact.



AHG family

Professional drivers // Owner-operators
// Warehouse teams // Office teams // Management
// Board // Employees' families



Customers and partners

Public health providers (e.g., blood services and hospitals) // Pharmaceutical manufacturers
// Wholesalers and distributors // Suppliers



Healthcare ecosystem

Patients // Pharmacies // Regulators
// Industry associations // Community organizations



Capital markets

Shareholders // Ratings agencies (CDP and EcoVadis)



Employee health, safety and wellness

Why It Matters

Nothing is more important to us than the health, safety and wellness of our people. Taking care of ourselves and others means we are always ready to deliver on our commitments to our partners, customers and communities.

Highlights



7% reduction in Lost Time Injury Rate (LTIR) in comparison to 2023



4.69 Total Recordable Incident Rate (TRIR) in 2024



Our approach

We prioritize workplace health and safety because it's the right thing to do for our people, our business and the people who count on us to deliver healthcare logistics. Our approach to environment, health and safety (EHS) is that compliance is the bare minimum. Taking care of each other means always doing things the safe, dependable way, ensuring our employees feel physically and psychologically safe in all areas of our workplaces. We use a preventative and holistic approach that combines strong safety systems with health and wellness supports for team members. We track our safety performance to identify areas for continuous improvement and to share information with our clients for their assurance and compliance needs. Our commitment to safety is embedded at every level of our organization, from board oversight to executive champions – accountability is shared by every AHG team member. Our health and safety committees include employees representing many functional areas, roles and demographics. Our belief is that each of us holds unique perspectives and lenses on what health and safety means to each of us. The health and safety committee members foster those ideas and help them become tangible actions.

In 2024, we expanded our EHS Roadmap to keep building on our safety culture, commitments, and practice. Through this roadmap we are on a journey to ensure our safety programs are about more than just compliance.

All AHG safety systems comply with relevant national, provincial and state legislation including occupational health and safety acts and safety codes. Our entities also comply with a range of safety and quality certifications including ISO 9001, ISO 14001, Customs Trade Partnership Against Terrorism (CTPAT), Certified Vehicle Operator Registration (CVOR) safety ratings, and the Workplace Safety and Insurance Board (WSIB)'s Health and Safety Excellence Program.

Every AHG team member, whether on the road, in a facility or in the office, is equipped to follow safe work practices through a combination of targeted training and defined expectations. For example, we offer professional driver training programs and one-on-one safety checks and coaching that reinforce critical road safety skills. We invest in training platforms and driver-assistance technologies including collision avoidance, side-angle cameras, automatic breaking, roll stability, tire-pressure monitors and performance tracking that enhance safety. All employees are empowered to stop all work processes if a safety concern exists at any time.

We recognize our people for their commitment to safety in a range of ways including offering bonuses for strong safety performance and participation on health and safety committees. We also offer access to programs and services that support healthy minds and bodies. Through regularly scheduled safety talks and other programs, we support employees to adopt mental health strategies and beneficial ergonomic practices to help them stay mentally and physically well. In our commitment to protect our employees in and out of the workplace, AHG team members can call our Employee Assistance Program when they need confidential counselling services. In Canada, team members can take advantage of benefit programs offering unique paramedical services and support and corporate discounts at GoodLife Fitness and Energie Cardio gyms.

Our commitment to safety extends beyond our teams and workplaces too. AHG leaders and employees take part in a range of industry-level health and safety groups focused on sharing learnings and best practices.

EHS Roadmap



Hazard Recognition

Implementing and training employees to identify and mitigate workplace hazards.



Corrective Actions

Developing and maintaining systems for reviewing corrective actions to address identified hazards.



Worker Wellbeing

Implementing programs to address the physical, mental and social wellbeing of employees.



Incident Analysis

Using data analytics to analyze incidents, identify root causes and predict future risks.



Safety Objectives

Measuring our safety performance using leading indicators and setting targets.



Safety Leadership & Culture

Fostering a strong safety culture through clear responsibilities, positive reinforcement and regular cultural assessments.



Training & Development

Implementing comprehensive, modern safety training programs and competency assessments for all employees.



Safety technology investments

Our teams are enhancing safety by investing in advanced technology platforms designed to improve safety performance and compliance. Recent investments at Accuristix and ATS Healthcare include 4SafeCom, a comprehensive health and safety management system to track safety incidents and performance metrics, and SE Suite, a learning management system that enables safety training and compliance at both the employee and branch levels. With employees handling hazardous and sensitive materials related to pharmaceuticals and other healthcare products, safety training and accreditation are critical to maintaining rigorous standards and minimizing risks. These tools make it easier for our people to stay up to date with health and safety related training and to track how we are performing, identifying strengths and areas for improvement.



Health and Safety Leadership

AHG team members take part in several industry groups focused on making our workplaces and services safer for everyone. For example, Accuristix and Nova Pack President Dean Berg represents AHG on the CEO Health and Safety Leadership Group, which brings together Canadian business leaders to champion and share health and safety best practices. Michael Lasko, VP of EHS and Quality at Boyle, is Chair of the Truckload Carriers Association Safety & Security Division Committee and a member of the EHS committee of the American Trucking Association®.

Our Canadian companies support new and innovative EHS solutions by active membership with the WSIB health and Safety Excellence programs and the Workplace Safety & Prevention Services® (WSPS).

Accuristix and Nova Pack are active members and supporters of the Distribution Center Health and Safety Team. The group which is a Workplace Safety and Prevention Services community group which comprises of safety professionals in the warehousing industry that work collaboratively to influence positive change in the warehousing industry through sharing, mentoring and coaching.



“As a professional driver, safety is a primary focus. Boyle has long exemplified this by investing in quarterly training for drivers and by implementing high-tech applications, monitoring systems and vehicles which are well maintained. Our safety standards set the bar in this industry. We protect our customers, assets and the public by being diligent and well prepared. I'm proud to represent these values.”

JACKIE WEGNER, PROFESSIONAL DRIVER, BOYLE TRANSPORTATION



“Safety is more than about preventing incidents; it is a continuous journey of learning and care. Through assessments and ongoing training, we empower our team with the tools to reduce injury risks. These efforts aren't just an investment in our people – they drive our continued growth and success.”

FARINA KHAN, HEALTH AND SAFETY SPECIALIST, ATS HEALTHCARE

Diversity, equity, inclusion and accessibility

Why It Matters

Breaking down barriers through building diverse and inclusive teams helps us to collaborate, innovate and deliver results.

Highlights



18.1% of our professional drivers are women, compared to **7.9% industry average** in Canada



Boyle named a **Top Company for Women to Work** again in 2024 by Women in Trucking

Our approach

Fostering diversity, equity, inclusion and accessibility (DEIA) in our business makes our workforce stronger, helping us attract and retain passionate and innovative team members. We also know that our clients and partners expect us to be doing more to foster DEIA and share our progress as part of their work to build responsible supply chains.

Recognizing the importance of setting the tone from the top, in 2019 our Board of Directors adopted a Diversity Policy to ensure that diversity (inclusive of gender, age and cultural background) is an important factor in how we assess new directors and executive leaders.

Logistics in Canada and the USA has traditionally been a male-dominated industry. At AHG, we are proud that over 40% of our workforce is female and that many other team members identify as belonging to underrepresented groups and communities. In 2024, 18% of our professional drivers were female, compared to the 7.9% in our industry. We had four female members (or 14%) on our executive teams and 17 female members (40%) of our senior management teams.¹ Our employees also give high ratings to AHG's approach to ensuring dignity, respect, equity and inclusion in the workplace.²

In 2024 we continued to implement a business-wide DEIA program focused on celebrating our diversity in addition to ensuring our culture, policies and processes remain inclusive for everyone. This work includes bringing together a broadly representative DEIA Committee, which meets monthly to help review policies and procedures, improve training, drive team-level engagement and help shape initiatives based on employee feedback. We are also taking steps to focus on accessibility, working to identify and address any cultural or physical barriers to participation in our teams and workplaces. The DEIA Survey conducted in 2024 provided valuable insights from our team members, achieving a favourability score of 74%. We also continue to invest in DEIA training for leaders and team members, offering opportunities to learn more about diversity and inclusion, unconscious biases, maintaining respectful workplaces and enhancing human rights.

Our companies are advancing programs to recruit women and people from traditionally racialized and underrepresented communities – and in some cases are leading the industry in this area. Across the board, we make sure that DEIA is something to celebrate regularly in our workplaces and team communications through events and content recognizing different groups, holidays and cultural practices.

¹Source: Statistics Canada <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1410041602>

²In the 2023 AHG Employee Engagement Survey, employees gave an average rating of 4.77 out of 6 for DEIA-related factors including engagement, compliance, dignity and respect, equity, inclusion, psychological and wellbeing.



Learn More

[Diversity Policy](#)



Mentoring women in trucking

We continue to be industry leaders in enabling women to thrive in the logistics industry. While almost one third of our overall workforce is female, in some of our entities that percentage is even higher. For example, almost 38% of Boyle's professional drivers are female, compared to an industry average in the USA of just 11.9%. We invest in dedicated recruitment and mentoring programs focused on supporting women drivers. Our team members are active in industry-level initiatives too, including supporting the Women in Trucking Association. Laura Duryea, who started her career at Boyle Transportation as a professional driver and is now the Director of Driver Recruitment and Professional Growth at Boyle, is helping to lead the American Trucking Association's Women in Motion program in addition to chairing Women in Trucking's Content Advisory Committee. In 2024, Boyle was once again named a Top Company for Women to Work in Transportation by Women in Trucking.



Equipping leaders to champion inclusivity

We are reinforcing our commitment to building diverse and inclusive teams by adopting Headversity, a cutting-edge company culture training platform. This tool is being integrated across AHG companies to provide leaders with essential training in psychological safety and respect in the workplace. The Headversity platform combines interactive learning modules, self-assessments, and scenario-based training to equip leaders with the skills needed to address challenges like unconscious bias, inclusive communication and mental health awareness. These tools align with our commitment to building a workplace where diverse perspectives thrive and every team member can contribute their best.



"Women interested in trucking should just go for it. Follow your heart. If you get to a stage in your life when it is possible to make a change, take the bull by the horns and do it. Being out there on the road is so satisfying and fulfilling."

**MELISSA EAUCLAIRE, PROFESSIONAL DRIVER,
BOYLE TRANSPORTATION**



Attracting and retaining talent

Why It Matters

We couldn't deliver on our commitments as a leading healthcare logistics partner without the passion, dedication and creativity of our people. As the competition for talented workers continues, we remain focused on attracting and retaining great team members, helping them to develop and grow in their careers.

Highlights



74% favourable score in 2024 AHG Employee Engagement Survey



Best Fleets to Drive For® recognition for Boyle team



Evaluating talent and advancing succession planning



Listening to and acting on employee feedback

Our approach

We are a people-first business. This approach starts with looking after our team members and doing what we can to be an employer of choice. When we recruit, we search for team members with smart minds and big hearts. We are always on the lookout for people who will help contribute to our strong employee culture and shared passion to deliver with integrity. We are also committed to helping our people grow in their careers, nurturing talent and providing training and opportunities to develop.

We offer AHG team members purposeful careers and competitive total rewards with opportunities to collaborate and grow. Our Board's CNG Committee helps set the tone, providing oversight of compensation, nominating policies and succession planning for directors and senior leadership. At the executive level, our CEO is an unwavering champion of our employee culture. Our VP of Human Resources provides operational leadership, working closely with HR teams across our entities to implement our people strategies and succession planning, making sure we continue to identify critical positions and nurture talent.

AHG's recruitment processes are equitable, fair and inclusive. We equip our hiring leaders with the knowledge, tools and criteria they need to ensure we support candidates through the application process and hire people who can make our teams even stronger. This includes conducting emotional intelligence and behavioural assessments for all professional positions. All of our team members are encouraged to help us find great talent through a referral program that rewards employees when they refer a successful candidate.

Fair wages and strong employee relations are essential for AHG's reputation and competitiveness when attracting high-calibre employees. Fair wages reduce turnover and attract quality talent.

AHG's growing record of employees exceeding 25 years of service shows our commitment to retaining and valuing our workforce.

In addition to performance-based recognition, we aim to make sure to celebrate AHG team members for their longstanding service with ceremonies and gifts for every two, five, 10, 15 and 20 years of service.


We encourage open communication across the AHG family, making sure to listen and act on ideas and concerns raised by team members through quarterly town hall meetings and our annual employee engagement survey. We are firm believers in collaboration and continuous improvement, taking steps to share good ideas and best practices across our organization through initiatives like our IDEAS program. Employees also have opportunities to take part in a range of topic-based committees (e.g., DEIA, professional driver advisory, Joint Health and Safety Committee) to share their perspectives and ideas for improvement.


AHG team members are encouraged to continue learning and growing in their careers by improving their skills and acquiring new knowledge and capabilities. We offer a range of apprenticeship and co-op programs and run regular training sessions for professional drivers and facility workers. Employees can access tuition reimbursement for educational opportunities that will help them work better or prepare for career advancement within the company. Following in the footsteps of our CEO Michael Andlauer, who began his career as a dispatcher, many of our leaders joined AHG as professional drivers or frontline workers.


We are committed to supporting our people to develop and take on new responsibilities within the business, helping them pursue their passions and use their talents to the fullest. In 2024 we began carrying out a talent depth program to improve our understanding of existing strengths and capacity gaps. This work paves the way for succession planning and identifying team members who are ready for growth opportunities.


Our social and events committees and organizing teams develop events throughout the calendar year to help celebrate the cultures and traditions of our people. Celebrations focus on multiculturalism, International Women's Day, driver appreciation and other important events, strengthening our culture of inclusion and belonging.


AHG employees enjoy a comprehensive total rewards program including:


- 


Annual wage reviews
- 


Performance bonuses
- 


Deferred profit-sharing plan
- 


Registered retirement savings plans in Canada and 401(K) plans in the USA
- 


Comprehensive and robust health and life insurance programs (also available for dependents)
- 

Access to family discounts for a range of perks and services including wellness products, food, auto and home insurance
- 

Wellness, fitness and mental health supports through our benefits programs including comprehensive health, dental and paramedical coverage plus health spending accounts in some AHG entities
- 

Scholarship program for employees' dependents
- 

Tuition reimbursement programs
- 

Leadership development programs
- 

Rewards and recognitions programs

Employee health, safety and wellness

Diversity, equity, inclusion and accessibility

Attracting and retaining talent

“We believe that investing in our employees’ career growth and development fuels long-term success for both our employees and the organization. When our employees are engaged and empowered, they don’t just work- they thrive! They align with our company goals, feel connected to our mission and feel a sense of achievement when we succeed together. Their growth is our growth and that’s what drives us forward.”

KIM NGUYEN, HR MANAGER, ACCURISTIX, LSU, NOWPAC



Learn more

[Staffing and Recruitment Program Commitment](#)

[Employee Referral Commitment](#)

[Tuition Reimbursement Commitment](#)

[Onboarding Program Commitment](#)

[Scholarship Program Commitment](#)



Best fleets recognition

Boyle Transportation has been named one of America’s Best Fleets to Drive For® for over 10 years in a row (2015 to 2025), including admission into the competition’s Hall of Fame. Best Fleets to Drive For® is an annual survey and contest that identifies the for-hire carriers providing the best workplace experiences for their drivers. As part of the process, candidate fleets take part in best-practice interviews and extensive driver surveys, meaning that the award reflects high levels of team engagement and industry leadership. In 2023, AHG’s Skelton team were named one of Best Fleets to Drive For®’s Fleets to Watch, reflecting Skelton’s commitment to continuous improvement and the benefits of shared learning between AHG entities.



Planting trees for our people

As a symbol of our commitment to our AHG team members and our drive to nurture long-lasting careers, we partner with the non-profit organization One Tree Planted to plant trees for every new hire and on employee birthdays. To date over 71,521 saplings have been added to growing forests in honour of our people.

Delivering safe and controlled healthcare supply solutions

Why It Matters

Demand for temperature-controlled healthcare products is growing rapidly. Our temperature management expertise and end-to-end logistics solutions mean we are well positioned to grow and keep delivering.

Highlights



15+ years average client relationship
(among top 20 clients by revenue)

Our approach

Handling pharmaceuticals and other healthcare products with care has always been important, which is why trust is at the core of everything we do to ensure the safety of our customers and products. Delivering with integrity and always being accountable are core to our values and how we work.

Across our operations, from logistics and distribution to packaging solutions, ground transportation, air freight forwarding, and dedicated and last-mile delivery, our commitment to rigorous quality control procedures has resulted in consistently reliable and safe temperature-controlled transportation and storage.

Our expertise in temperature management is being called on now more than ever, thanks to the rapid growth in demand for new vaccines, biologics and other pharmaceuticals that depend on cold storage and transportation. The pharmaceutical cold chain market is becoming increasingly important, growing from just a quarter to over a third of market share in under a decade¹. The global healthcare cold chain market, valued at USD \$6.4B in 2024, is projected to grow to USD \$9.6B by 2035.²

We are ready to support this market growth through ongoing investments in trucks, trailers and technology that ensure end-to-end stability and security for life-saving and life-sustaining healthcare products.



Temperature management

Dedicated facilities // Specialized vehicles // Customized packaging



Quality assurance

Highly regulated environment // Significant GMP and GUI-0069 experience // Longstanding relationships with regulatory agencies including Health Canada



Supply chain visibility

Proprietary IT systems // Reporting and regulatory compliance // Purpose-built monitoring system



Security

Specialized management protocol for high-value and controlled products // Compliant and secure storage

¹Source: Maersk <https://www.maersk.com/news/articles/2024/04/11/pharmaceutical-cold-chain-needs>

²Source: Roots Analysis <https://www.rootsanalysis.com/reports/cold-chain-market.html>

Delivering safe and controlled healthcare supply solutions

Environmental sustainability and climate change

Cybersecurity and data protection

We deploy stringent product handling requirements across the board, including real-time temperature monitoring and 24/7 shipment visibility in our fleets and facilities. Our trailers, trucks and facilities are fully temperature mapped with winter and summer profiles. Features include:



Equipment that is compliant for ambient +15°C to +25°C, cold chain +2°C to +8°C, frozen -20°C to -30°C and ultra-low temperatures below -70°C.



Sensors are calibrated on an 18-month cycle against a NIST traceable device, with multiple sensors located in all of our trucks, trailers and facilities. A manual backup datalogger is used in the event of a system failure.



Our trailers use bulkheads to better reduce temperature fluctuations during transit.

We apply redundancy measures to ensure temperature-sensitive shipments remain in range of the designated temperature requirement throughout the whole journey. Temperature is monitored by our transportation professionals and our 24/7 operations teams. Using advanced telematics, any exceptions of routing, temperature deviation or ETA are immediately called out as alerts to our professional drivers, who can take necessary action at once. Following our client's requirements and policies, our team may quarantine or, when safe to do so, return or dispose of products.

We act as a partner in risk management and HAZMAT transport protocols. Our safety record is unparalleled in the market, and we continually invest significant resources in training, equipment and safety technology to ensure that your healthcare products are delivered safely and securely.

Over the years, AHG has achieved the highest level of security in the North American healthcare sector. We have accomplished this through a multilayer security program involving all facets of facility reinforcement, access control, wide area monitoring, employee training, systems alerts and alarms, and information protection. Our customers' healthcare products are continually safeguarded by stringent, high-level security protocols including chain-of-signature, 24/7 tracking, data capture and retention, geofencing, rigorous facility sign-in procedures, and the use of personal detectors.

To achieve a true partnership, we assign dedicated client solution managers to ensure there is routine and ongoing communication with our clients across all departments at all levels of the business. The client solution managers are charged with having a global view of their accounts.

Our leading IT capabilities allow each client to view their entire supply chain in real time. From order management, warehouse transactions and inventory availability with lot and expiry control to shipped order status, booked appointment times and proof of delivery, we can provide our clients with secure access to all their information 24/7 online.



We comply with all relevant government guidelines including:

- Health Canada guidelines for healthcare products and devices³
- Food and Drugs Act and its regulations, including the Food and Drug Regulations, Natural Health Product Regulations, and Medical Device Regulations
- Controlled Drugs & Substances Act and its regulations
- Cannabis Act and its regulations
- The United States Pharmacopeia (USP) chapter <659> Packaging and Storage Requirements for U.S. Distribution
- The United States Pharmacopeia (USP) chapter <1079> Good Storage and Distribution Practices for Drug Products for U.S. distribution
- Transported Asset Protection Association (TAPA) Facility Security Requirements (FSR)
- U.S. Department of Transportation (DOT) regulations
- Security Action Items from the Transportation Security Administration (TSA)
- GMP-compliant facilities

Our commitment to reliability has led to long-term client partnerships built on the confidence garnered from customers and consignees who depend on our services for life-saving and life-sustaining products. Looking ahead, we are driven to develop and expand long-term strategic relationships with our clients to provide improved operational efficiencies and access to value-added services.

³Including: Good Manufacturing Practices Guide for Drug Products (GUI-0001); Guidance on Drug Establishment Licenses and Associated Fees (GUI-0002); Guidelines for Environmental Control of Drugs During Storage and Transportation (GUI-0069); Guidance Document on the Import Requirements for Health Products Under the Food and Drugs Act and its Regulations (GUI-0084); Guidelines for Active Pharmaceutical Ingredients (GUI-0104); Guidance Documents for Medical Devices; and Guidance Documents for Natural and Non-Prescription Health Products.



Driver-assisting technologies

Investments in scanning technology at ATS Healthcare give our professional drivers the capability to check trailer temperatures while also accessing any special handling instructions, delivery route sequencing information, signature tracking and alerts when a shipment doesn't match to a delivery location.



Tracking apps

Boyle Transportation clients can use our dedicated web and mobile app to get secure, end-to-end visibility of shipments including temperature history, exceptions and handling stages.



MEDDS

In addition to working with major healthcare sector clients like pharmaceutical companies and hospitals, we also deliver directly to consumers. With a fleet of over 50 professional drivers in the greater Winnipeg region, our MEDDS team collects prescription orders from pharmacies and brings them to people's homes and workplaces.

Delivering safe and controlled healthcare supply solutions

Environmental sustainability and climate change

Cybersecurity and data protection



Sharing our Regulatory and Quality Assurance Expertise

AHG is expanding our impact through a consulting team focused on regulatory compliance and quality assurance. By guiding international firms and emerging Canadian companies through Health Canada processes and other regulatory requirements, we are helping to accelerate market entry and ensure the safe distribution of advanced therapies. We are supporting partner companies to attain compliance for a range of pharmaceuticals, including critical vaccines targeting transmitted infectious diseases both here in Canada and for Canadians traveling overseas. Through strategic guidance and AHG's broader end-to-end supply chain solutions, we are playing an important role in improving Canadian and global healthcare equity.



"I'm very proud to be part of a team delivering life-saving drugs to patients in the here and now. We're also always thinking about the future, including finding better ways to reduce the environmental impact of our activities through complying with ISO 140001 standard and other regulations. QA is essential for integrating sustainability into business practice. By ensuring compliance, reducing waste and promoting ethical practices, QA supports our company to achieve long-term sustainability goals while maintaining high-quality standards."

AMANDEEP GEHLON, QUALITY ASSURANCE MANAGER, ACCURISTIX



Expanding Customer Packaging Options

To unlock new opportunities and scale our impact, in 2025, we entered into a 50/50 joint venture by combining our packaging subsidiary, Nova Pack, with NowPac Inc., a respected Toronto-based contract packaging company specializing in the healthcare sector. NowPac brings a strong reputation for quality, compliance and innovation, making them a natural partner to strengthen and grow our packaging operations. This partnership enhances our ability to serve a broader range of healthcare customers with sustainable, scalable solutions, while also creating synergies across our logistics, distribution and transportation networks.



Environmental sustainability and climate change

Why It Matters

Climate change continues to be a pressing global challenge, placing pressure on healthcare systems while contributing to more frequent supply chain disruptions. We need to do our part to decrease emissions while making sure we never compromise on the integrity of our healthcare logistics solutions.



Learn more

[Environment and Social Responsibility Policy](#)

Highlights



Scope 1 and 2 GHG emissions decreased by **9.5%** in 2024 versus 2023



Scope 1 **mobile combustion** emissions decreased by **11%** in 2024



Scope 2 GHG emissions decreased by **3.7%** in 2024



100% Boyle tractors compliant with US EPA's Phase 2 GHG emissions and fuel efficiency standards



Delivering safe and controlled healthcare supply solutions

Environmental sustainability and climate change

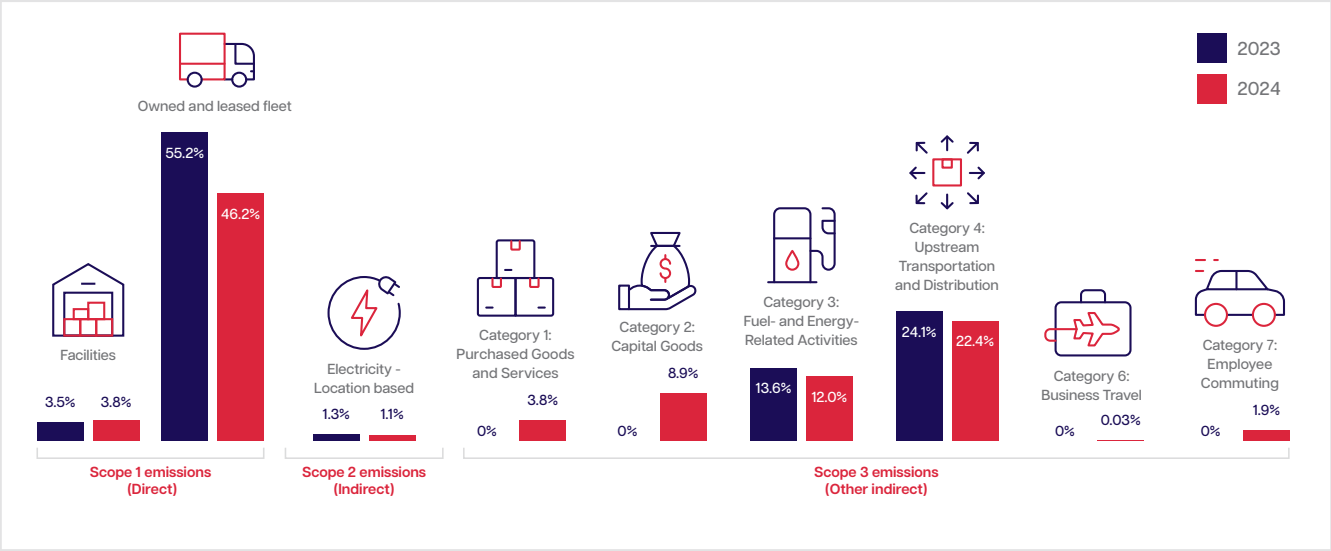
Cybersecurity and data protection

Our Approach

We are doing our part to tackle climate change and being an environmentally responsible business partner and neighbour in the communities where we work. We recognize that our clients and partners expect us to be acting and sharing our progress as part of their work to build responsible supply chains. We continue to improve the sustainability performance of our operations and work to understand future opportunities.

As part of our ongoing commitment to transparency and tackling climate change, we have expanded our GHG emissions inventory to include additional Scope 3 categories in alignment with the GHG Protocol created by World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). This year we have incorporated newly relevant categories such as Category 1: Purchased Goods and Services, Category 2: Capital Goods, Category 6: Business Travel, and Category 7: Employee Commuting. AHG’s GHG inventory is developed following the guidance provided by Greenhouse Gas Protocol’s Corporate Accounting and Reporting Standard (Revised Edition), Scope 2 Guidance, and Corporate Value Chain (Scope 3) Standard. We account for all seven GHGs covered by the GHG protocol (CO2, N2O, CH4, HFCs, PFCs, SF6 and NF3) and we do not generate biogenic carbon emissions. AHG's main sources of direct operational emissions include the combustion of fuel by our transport fleet (Scope 1), the use of heating fuels such as natural gas in our buildings (Scope 1), and the electricity purchased for our facilities' operations (Scope 2 – location-based).

Andlauer Healthcare Group greenhouse gas emissions



GHG emission sources (t CO ₂ e)	2023	2024	% Change
Gross global Scope 1 emissions (Direct)	80,279.99	72,530.08	-9.65%
Facilities	4,594.68	5,446.17	18.53%
Owned and leased fleet	75,685.31	67,083.91	-11.36%
Gross global Scope 2 emissions (Indirect)	1,682.96	1,620.70	-3.7%
Electricity - Location based	1,682.96	1,620.70	-3.7%
Gross global Scope 3 emissions (Other indirect)	49,624.26	71,015.53	43.11%
Category 1: Purchased Goods and Services	N/A	5,507.05	N/A
Category 2: Capital Goods	N/A	12,884.90	N/A
Category 3: Fuel- and Energy-Related Activities	17,901.66	17,425.98	-2.66%
Category 4: Upstream Transportation and Distribution	31,722.60	32,454.54	2.31%
Category 5: Waste Generated in Operations ¹	—	—	—
Category 6: Business Travel ²	N/A	46.35	N/A
Category 7: Employee Commuting ³	N/A	2,697.70	N/A
Total Scope 1, 2 and 3	131,587.26	145,167.30	10.32%

¹Due to data gap, included the emissions from waste management as a purchased service in Category 1: Purchased Goods and Services

²Only include travel emissions - emissions from accommodation is excluded

³Only include commute emissions

Delivering safe and controlled healthcare supply solutions

Environmental sustainability and climate change

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Our emissions reduction journey

Through our Environmental and Social Responsibility Policy, we commit to comply with all applicable environmental laws and regulations and to assess sustainability-related risks and opportunities. Our Board and its CNG Committee have oversight of this policy and periodically assess how our operations teams are putting it into effect. The AHG executive team works closely with the leadership teams in each of our entities to ensure progress is being made in support of environmental sustainability. Our environmental management systems comply with all relevant federal, provincial and state laws, and our entities align with various standards including ISO 14001.

Areas of focus

In recent years we have reduced our Scope 1 GHG emissions from our fleets through investments in low-emission and aerodynamic vehicles, idle-reduction technologies, route optimization and refrigeration unit upgrades, such as the use of hybrid reefers and onboard solar panels that help reduce fuel consumption. We use electric forklifts in our facilities and we are continuing to explore options to use EV trucks and alternative fuels on shorter routes where it makes sense. Based on current technology, EV trucks are limited in their range and unable to perform reliably at colder temperatures. This is a particular challenge as we continue to see more volatile and extreme winter conditions in Canada and much of the USA. Given this, we also continue to monitor developments that could help to decarbonize long-haul transportation while ensuring we can still provide reliable temperature controls and other safe-handling requirements for our clients and partners.

Making our existing and new facilities more environmentally sustainable is also a priority across AHG to reduce operational Scope 1 and Scope 2 emissions. We continue to invest in renewable energy consumption, both by taking part in clean energy purchasing programs and by installing solar generation in some of our major locations. We are focused on energy efficiency and waste-reduction programs too. This involves ongoing programs to install LED lights and motion sensors, automated temperature management tools and HVAC upgrades, and investments in spill-prevention systems and comprehensive recycling programs.



Meeting and exceeding environmental standards

Boyle Transportation was the first North American carrier to be ISO 14001 certified. This internationally recognized standard for environmental management systems provides a framework for companies to identify, manage, monitor and improve environmental performance year over year. Both Boyle and Skelton are participants in SmartWay, an initiative of the United States Environmental Protection Agency (EPA) that helps companies advance supply chain sustainability by measuring, benchmarking and improving freight transportation efficiency. Boyle has been consistently named a SmartWay High Performer, meaning the team is in the top 10 per cent of US carriers for reducing carbon emissions. In line with this commitment, 100 per cent of Boyle's tractors comply with the EPA's Phase 2 Greenhouse Gas Emissions Standards and Fuel Efficiency Standards for Medium- and Heavy-Duty Engines and Vehicles.



Delivering safe and controlled healthcare supply solutions

Environmental sustainability and climate change

Cybersecurity and data protection



Investing in low-emissions, high-efficiency vehicles

The Skelton team exemplify our commitment to reducing environmental impacts through strategic investments in energy-efficient technologies and emissions reduction initiatives. All Skelton reefers are equipped with hybrid technology, allowing refrigeration units to operate on electricity rather than relying solely on diesel fuel. To date, the team has installed 15 hybrid charging stations at Skelton's facility in Sharon, Ontario. Trucks are also equipped with onboard generators to power reefers during transit, minimizing the need for additional fuel consumption. Additionally, the reefers are programmed to operate only when necessary, maintaining optimal temperatures while reducing unnecessary energy use. Other investments in bulkheads and aerodynamic vehicle skirts help Skelton to improve energy and fuel efficiency. What's more, Skelton's trailers are also equipped with solar panels that keep reefer batteries fully charged, eliminating the need for running reefers solely for battery charging. The Boyle team is also installing solar panels with 200kWh of battery storage to keep cabins powered by renewable energy, with over a third of its fleet currently able to recharge from the sun.



LEED Gold certified

Accuristix's fulfillment centre in Brampton, Ontario, has been certified as meeting LEED Gold – one of the highest global standards available for green buildings. The facility, which Accuristix shares with other logistics companies, earned this accolade thanks to the careful recycling of building materials on-site during renovation and the installation of materials and technology that improve energy efficiency while reducing other environmental impacts. We have also invested in safe-drain infrastructure at the facility to prevent any potential spilled contaminants going into the waste-water system or the environment.



Reducing Packaging waste with Credo

AHG has helped save thousands of tonnes of packaging waste from going to landfill thanks to the reusable Credo Cube – a passive and reusable shipping container that's certified to hold chilled medical materials at a safe temperature for up to five days. In addition to providing excellent temperature control, Credo shippers are highly durable and can be reused many times, contributing to even greater reductions in packaging inputs and waste. Clients particularly appreciate the Credo Cube's remarkable ease of use, emphasizing how its user-friendly features have simplified their logistics, saving time and resources while ensuring safe delivery of their products.



"By investing in energy-saving initiatives like hybrid reefers and solar panels, we not only reduce emissions but also contribute to a healthier and cleaner environment for our team members and communities. This work excites us because it allows us to lead by example, showing that we can deliver excellence in our business while embracing innovative solutions to go green."

VISHNU BHARDWAJ, LEAD CALIBRATION & VALIDATION SPECIALIST, SKELTON TRUCK LINES

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Cyber security and data protection

Why It Matters

As AI capabilities expand and digital threats evolve, safeguarding our systems and client information against online attacks is paramount. This commitment not only builds trust with our partners but also maintains our position as a leader in the healthcare logistics sector.



Learn more

[Privacy Policy](#)

"At Accuristix, we try to view every initiative and project with a comprehensive security-focused lens, as well as ensuring we have modern data and access security features and safeguards in place. By implementing robust and layered cybersecurity measures, we not only safeguard our clients' crucial information but also build trust, demonstrating our commitment to their data security as well as our drive to be an effective logistics partner."

LOUIS PLOURDE, INFRASTRUCTURE ADMINISTRATOR, ACCURISTIX



Our Approach

Our comprehensive cyber security measures safeguard our digital infrastructure and sensitive customer data, reinforcing our reputation as a trusted logistics provider.

In 2024, we formalized our AHG Cyber Security Steering Committee at the Board level, ensuring ongoing executive oversight of our cyber security strategy and risk management. This committee brings together leadership from across AHG entities to align on cyber security priorities, review risk assessments, and drive enterprise-wide security enhancements. This initiative reflects our commitment to governance excellence and strengthens our approach to cyber security resilience. We also began assessing the feasibility of pursuing ISO 27001 certification, a globally recognized cyber security standard. This would mark a significant milestone in our security posture and industry credibility.

To ensure the security of our operations and the protection of client data, our entities follow a range of cyber security best practices that comply with all relevant laws and regulations. For example, in the USA, Boyle Transportation is cleared to handle and ship sensitive goods for several government agencies including the Department of Defense (DoD), meaning the team's approach to cyber security and other areas meets the highest standards required by the U.S. DoD. Last year, Boyle further strengthened its cyber security framework by aligning with Cybersecurity Maturity Model Certification (CMMC) 2.0 standards. This ensures compliance with evolving U.S. DoD requirements and enhances our ability to securely manage sensitive government shipments.

Regular software updates and diligent patch management are fundamental to our strategy to mitigate vulnerabilities. Additionally, we employ strict, role-based access controls and multi-factor authentication to ensure that only authorized personnel can access our systems and data.

Equally important is our focus on cyber security training and awareness. Through regular cyber security training conducted in partnership with our HR teams, we educate our employees about phishing attacks, malware and other common threats, ensuring they understand the importance of being safe online and protecting sensitive information.

Investing in local communities and strategic partnerships

Why It Matters

Whether it's supporting national causes like the Canadian Blood Services or good works closer to home, our commitment to community engagement reflects our values and our dedication to giving back.

Our Approach

Across the board, AHG's people share a passion for giving back to our community and industry. While we do not currently have a formalized program for corporate partnerships and giving at the AHG level, our various teams continue proud traditions of supporting local causes and community partnerships, including:

- American Red Cross
- Canadian Blood Services
- Canadian Cancer Society
- Children's hospitals and charities
- Local food banks
- Hema-Quebec
- Royal Canadian Legion
- Sports and events sponsorships

In addition to corporate giving, our team members also volunteer their time and resources to support a range of local causes.





Launching First Blood partnership

Canadian Blood Services is a national, non-profit organization that manages Canada's blood, plasma, stem cell and organ donation systems, ensuring a safe and reliable supply for patients in need. Through our Skelton team, we have been partnering with Canadian Blood Services for over 25 years, helping ensure the safe and reliable delivery of their life-saving and life-sustaining products. Skelton and other AHG entities also provide ongoing financial support to Canadian Blood Services and its American counterpart. In 2024, Canadian Blood Services spoke up about the risk of growing demand of blood products in Canada's healthcare system going unmet as a result of missed or unclaimed donation appointments. To help encourage more Canadians to donate blood and to support ongoing blood-related research programs, in 2024 AHG partnered with Canadian Blood Services to create the First Blood program. Every time the Ottawa Senators score first in one of their National Hockey League home games, we donate \$1000 to the Canadian Blood Services. We also encourage our team members to lead by example by donating blood and encouraging others in their communities to step up. [Learn more →](#)



Supporting Truckers Against Trafficking and veterans

Skelton proudly supports Truckers Against Trafficking (TAT), a nonprofit organization dedicated to combating human trafficking by educating and empowering members of the trucking industry to recognize and report suspicious activity. TAT provides training, resources, and a national hotline to help truck drivers become a frontline defense against traffickers who exploit transportation networks. Through our financial support and active participation in TAT's initiatives, we are committed to raising awareness and making a lasting impact. Our drivers engage in innovative training programs designed to equip them with the tools to recognize and respond to trafficking situations. The Skelton team also supports the Walking Wounded Project, providing financial support and raising awareness about the support needs of wounded, ill, and injured post-9/11 veterans. By standing with these heroes, we hope to honor their sacrifices and be part of the healing process that ensures no warrior is left behind.



Canadian
Blood
Services

Société
canadienne
du sang



WORLD DAY AGAINST
TRAFFICKING
IN PERSONS
30 JULY

HUMAN
TRAFFICKING
IS ORGANIZED
CRIME

END THE
EXPLOITATION



EVERYDAY
HEROES
NEEDED!

Skelton
Truck Lines



Fostering learning

Every year AHG celebrates our team members' dependents and supports them on their learning journeys. We provide 10 \$5,000 scholarships for young people who are either completing high school or just starting university. This program provides financial assistance for higher education, helping to support the academic aspirations of our employees' families and investing in the future of our communities.



Building a stronger industry

Our team members take part in industry groups focused on sharing best practices and building shared standards for safety and inclusion. This collaboration helps all boats to rise, giving our people exposure to better ways of working while also sharing our learnings and success stories with our industry peers. Groups we participate in include the American Trucking Association, the Truckload Carriers Association and the Canadian Association for Pharmacy Distribution Management, as well as other forums focused on health and safety, diversity and cybersecurity



"Andlauer Healthcare Group has been a longstanding partner of Canadian Blood Services. We're delighted to have them. The First Blood program is awesome because, first of all, it's rallying people during a moment of excitement ... it's creating awareness but also the financial contribution. It's a ripple effect that helps us keep investing in other programs to recruit more donors and make it a great donor experience for those who show up."

RON VEZINA, VP DONOR ENGAGEMENT AND CORPORATE REPUTATION, CANADIAN BLOOD SERVICES

Business ethics

Why It Matters

We pride ourselves on being a trusted healthcare logistics partner. Earning that trust means always acting with integrity and transparency.



Learn more

[Code of Business Conduct and Ethics](#)

[Whistleblower Policy](#)

[2024 Forced Labour and Child Labour Report](#)

Our approach

Acting ethically is an important part of how we work and continue to build trust with our teams, clients, partners and communities. From our Board to our leadership teams and frontline workers, we are committed to maintaining high standards of integrity and transparency in all aspects of our governance and operations.



Code of Business Conduct and Ethics

In 2024, AHG implemented an updated Code of Business Conduct and Ethics (Code) that applies to all the AHG entities' directors, managers, officers, employees and consultants. The Code provides guidelines for maintaining the integrity, reputation, honesty, objectivity and impartiality of AHG and its entities. Among other things, the Code addresses conflicts of interest; protecting AHG assets; confidentiality; fair dealing with security holders, competitors and employees; insider trading; compliance with laws; modern slavery; and reporting illegal or unethical behaviours. As part of the Code, any AHG team member is required to avoid or fully disclose interests or relationships that are harmful or detrimental to AHG's best interests or that may give rise to real, potential, or the appearance of conflicts of interest. The Board has the ultimate responsibility for the stewardship of the Code of Business Conduct and Ethics, which is available on our website.

To ensure compliance with the Code, team members are required to complete annual compliance training and are encouraged to talk to supervisors, managers or other appropriate personnel about any concerns. Employees may report violations of the code anonymously. It is our policy not to allow retaliation for reports of misconduct by others made in good faith.



Whistleblower policy

AHG has also adopted a Whistleblower Policy that sets out how our team members can confidentially and anonymously submit concerns to the Chair of the Audit Committee (who is independent of the company) or to a third-party reporting system regarding any matter that the individual believes to be in violation of the Code of Business Conduct and Ethics.



Stakeholder engagement

We actively engage with our stakeholders, including customers, employees, suppliers and communities, to gather feedback and input on our sustainability practices. This engagement helps us identify areas for improvement and ensures that we are meeting the expectations of our stakeholders.



Compliance and regulatory standards

We adhere to all relevant laws, regulations and industry standards related to transparency and accountability. See the section [“Delivering safe and controlled healthcare supply solutions”](#) in this report for more information about our compliance approach.



Training and awareness

We provide regular training and awareness programs for employees to ensure they understand the importance of transparency and ethical conduct. These programs help reinforce our commitment to transparency throughout the organization.



Reporting

We regularly publish reports that provide transparent and comprehensive information about our company’s performance and impact. These reports are available to our investors, team members, clients, partners and the public. In 2024 we published our second [Forced Labour and Child Labour Report](#) in compliance with Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains Act. This report includes an overview of the measures actions and activities undertaken by AHG to assess, prevent and reduce the risk of forced labour or child labour in their business and supply chains.



Fiscal 2024 sustainability performance data

Environment

SASB Code or GRI Indicator ¹	Disclosure Topics	Unit	2023	2024
GHG Emissions				
TR-AF-110a.1	Gross global Scope 1 emissions (Direct)	t CO ₂ e	80,279.99	72,530.08
	Facilities ²	t CO ₂ e	4,594.68	5,446.17
	Owned and leased fleet	t CO ₂ e	75,685.31	67,083.91
TR-AF-110a.2	Gross global Scope 2 emissions (Indirect)	t CO ₂ e	1,682.96	1,620.70
	Electricity - Location based	t CO ₂ e	1,682.96	1,620.70
TR-AF-110a.3	Gross global Scope 3 emissions (Other indirect)	t CO ₂ e	49,624.26	71,015.53
	Category 1: Purchased Goods and Services	t CO ₂ e	N/A	5,507.05
	Category 2: Capital Goods	t CO ₂ e	N/A	12,884.90
	Category 3: Fuel- and Energy-Related Activities	t CO ₂ e	17,901.66	17,425.98
	Category 4: Upstream Transportation and Distribution	t CO ₂ e	31,722.60	32,454.54
	Category 5: Waste Generated in Operations ³	t CO ₂ e	-	-
	Category 6: Business Travel ⁴	t CO ₂ e	N/A	46.35
	Category 7: Employee Commuting ⁵	t CO ₂ e	N/A	2,697.70
305-4 (GRI)	GHG Intensity			
	Revenue ⁶	\$MM	\$648.00	\$650.50
	GHG Emissions Intensity (Scope 1 and 2) ⁷	t CO ₂ e / \$ MM	126.49	113.99
TR-AF-110a.2	Discussion of long and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets			Page 23
Energy Consumption				
TR-RO-110a.3	Energy consumption from buildings (GJ) - NG and electricity			
	Natural Gas	GJ	80,761.89	102,650.94
	Electricity	GJ	70,992.78	73,241.09
TR-RO-110a.3	Fuel consumed by road transport			
	Diesel	GJ	1,074,654.67	958,679.68
HC-DY-130a.1	(1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable			
	Total energy consumed	GJ	151,754.67	175,892.03
	Percentage grid electricity	per cent	100%	100%
	Percentage renewable	per cent	0%	0%
TR-AF-430a.2	Total greenhouse gas (GHG) footprint across transport modes	t CO ₂ e	107,407.91	99,538.45

¹GRI indicators are specified (GRI) and all other metrics are SASB codes

²Facilities include Fugitive emissions and stationary combustion

³Included in Category 1: Purchased Goods and Services

⁴Excludes emissions from accomodation

⁵Excludes working from home emissions

⁶Canadian Dollars

⁷Excludes Scope 3 emissions

Social

SASB Code or GRI Indicator ¹	Disclosure Topics	Unit	2023	2024
Diversity, Equity, Inclusion & Accessibility				
SV-PS-330a.1	Workforce by Gender			
	Gender - Women	per cent	27.1%	32.2%
	Gender - Men	per cent	66.7%	67.2%
	Gender - Not specified	per cent	6.2%	0.6%
	Diversity of Overall Workforce			
	Representation of people with disabilities	per cent	5.6%	0.9%
	Representation of visible minorities	per cent	28.8%	23.9%
	Representation of Indigenous people	per cent	0.5%	0.3%
	Diversity of Executive			
	Gender - Women	per cent	11.1%	14.3%
	Gender - Men	per cent	88.9%	85.7%
	Diversity of Senior Management			
	Gender - Women	per cent	39.5%	40.5%
	Gender - Men	per cent	60.5%	59.5%
	Diversity of Middle Management ²			
	Gender - Women	per cent	35.6%	37.7%
	Gender - Men	per cent	59.1%	61.8%
	Gender - Not specified	per cent	5.3%	0.5%
	Diversity of Non-Management			
	Gender - Women	per cent	25.0%	36.3%
	Gender - Men	per cent	64.67%	62.89%
	Gender - Not specified	per cent	10.3%	0.8%
TR-AF-000.C	Diversity of Professional Drivers			
	Total number of professional drivers	headcount	540	584
	Gender - Women	per cent	15.7%	18.1%
	Gender - Men	per cent	84.3%	81.9%
	Gender - Not specified	per cent	0%	0%

¹GRI indicators are specified (GRI) and all other metrics are SASB codes

²Grouped management, administrative, and supervisory

SASB Code or GRI Indicator ¹	Disclosure Topics	Unit	2023	2024
Headcount				
TR-AF-000.C	Total workforce ²	headcount	1,911	1,809
Employee Hiring & Turnover				
401-1 (GRI)	Total new hire	headcount	304	534
	New hire rate	per cent	62.3%	51.2%
	Retention rate	per cent	85.8%	79.1%
TR-RO-320a.2	Total turnover	headcount	488	460
	Turnover rate	per cent	25.5%	25.4%
TR-RO-320a.3	Description of approach to managing short-term and long-term driver health risks	description		Page 14
Attracting & Retaining Talent				
404-1 (GRI)	Total Training Hours	count	68,000	84,875
	Total Average Training hours	count	41	47
Employee Health, Safety & Wellness				
403-9 (GRI)	Lost time injury rate (LTIR) ³	rate	2.3	2.1
TR-AF-320a.1	Fatality Rate ⁴	rate	0	0
TR-AF-320a.1	Road Collision Rate ⁵	rate	0.06	0.12
TR-RO-540a.3	# of reportable spills	count	2	1

Activity Metrics

Activity Metrics				
TR-AF-000.C	Number of employees	headcount	1,290	1,225
TR-AF-000.C	Number of truck drivers	headcount	621	584

¹GRI indicators are specified (GRI) and all other metrics are SASB codes

²Including total # of drivers

³LTIR= (total LT injuries* 200,000)/ total hrs worked

⁴Direct and contract employees

⁵Per 100,000 km

Forward-looking Information

This sustainability report contains forward-looking information and forward-looking statements (collectively, “forward-looking information”) within the meaning of applicable securities laws. Forward-looking information may relate to AHG’s future financial outlook and anticipated events or results and may include information regarding AHG’s financial position, business strategy, growth strategies, addressable markets, budgets, operations, financial results, taxes, dividend policy, plans, objectives and expectations.

Particularly, information regarding AHG’s growth expectations, performance, achievements, payment of dividends, prospects, potential acquisitions, financial targets or outlook is forward-looking information. In some cases, forward-looking information can be identified by the use of forward-looking terminology such as “plans”, “targets”, “expects”, “budget”, “scheduled”, “estimates”, “outlook”, “forecasts”, “projection”, “prospects”, “strategy”, “intends”, “anticipates”, “believes”, “commencing” or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might”, “will”, “will be taken”, “occur” or “be achieved”. In addition, any statements that refer to expectations, intentions, targets, projections or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent management’s expectations, estimates and projections regarding future events or circumstances. Such forward-looking statements are qualified in their entirety by the inherent risks, uncertainties and changes in circumstances surrounding future expectations which are difficult to predict and many of which are beyond the control of AHG.

Statements regarding the anticipated benefits of the transaction with UPS for AHG, its shareholders and other stakeholders, including, plans, objectives, expectations and intentions of UPS or AHG; statements regarding the satisfaction of the conditions precedent to the transaction with UPS, including the receipt of regulatory approvals and the anticipated timing thereof; the proposed timing and completion of the transaction with UPS; and other statements that are not statements of historical facts are all considered to be forward-looking information.

Forward-looking information is necessarily based on a number of opinions, estimates and assumptions, including but not limited to those assumptions described under the heading “Cautionary Note Regarding Forward-Looking Information” in AHG’s MD&A for Q2 2025. Forward-looking information is subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information, including but not limited to the risk that the transaction with UPS will not be completed on the terms and conditions, or on the timing, currently contemplated, that the transaction with UPS may not be completed at all, due to a failure to obtain or satisfy, in a timely manner or otherwise, the remaining regulatory approval and other conditions to the closing of the Transaction or for other reasons, and those other factors discussed under the heading “Risk Factors” in AHG’s annual information form dated February 26, 2025, which is available on AHG’s profile on SEDAR+ at www.sedarplus.ca. If any of these risks or uncertainties materialize, or if the opinions, estimates or assumptions underlying the forward-looking information prove incorrect, actual results or future

events might vary materially from those anticipated in the forward-looking information. Accordingly, investors should not place undue reliance on forward-looking information, which speaks only as of the date made. The forward-looking information contained in this sustainability report represents AHG’s expectations as of the date of this sustainability report and are subject to change after such date and AHG disclaims any intention or obligation or undertaking to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required under applicable securities laws.

(1) Non-IFRS Financial Measures

This sustainability report contains certain non-IFRS measures. These measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of AHG’s results of operations from management’s perspective. Accordingly, these measures should not be considered in isolation nor as a substitute for analysis of AHG’s financial information reported under IFRS. AHG uses non-IFRS measures including “EBITDA” and “EBITDA Margin”. These non-IFRS measures are used to provide investors with supplemental measures of AHG’s operating performance and thus highlight trends in its core business that may not otherwise be apparent when relying solely on IFRS financial measures. AHG also believes that securities analysts, investors and other interested parties frequently use non-IFRS measures in the evaluation of issuers. AHG management also uses non-IFRS measures in order to facilitate operating performance comparisons from period to period, to prepare annual operating budgets and to determine components of management compensation.

EBITDA

AHG defines EBITDA as net income for the period before: (i) income tax expense (recovery); (ii) interest income; (iii) interest expense; and (iv) depreciation and amortization.

AHG believes EBITDA is a useful measure to assess the Company’s financial performance because it provides a more relevant picture of operating results by excluding the effects of expenses that are not reflective of the Company’s underlying business performance.

EBITDA Margin

AHG defines EBITDA Margin as EBITDA divided by revenue. EBITDA Margin represents a measure of the Company’s profitability expressed as a percentage of revenue.

AHG believes EBITDA Margin is a useful measure to assess the Company’s financial performance because it helps quantify the Company’s ability to convert revenues generated from clients into EBITDA.



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